

BILL # HB 2237

TITLE: AHCCCS; verification of eligibility

SPONSOR: Seel

STATUS: As Amended by House HHS

PREPARED BY: Amy Upston

FISCAL ANALYSIS

Description

The bill clarifies what documentation AHCCCS employees can use to verify citizenship and legal alien status for applicants to AHCCCS programs and requires that AHCCCS employees verify all non-citizens' immigration status through the System Alien Verification for Entitlements (SAVE) program before the applicant receives benefits.

Estimated Impact

The bill would have an undetermined impact. If the state is allowed to use more restrictive requirements than the current federal law, the bill could reduce eligibility and reduce costs. According to AHCCCS, however, federal law does not permit states to restrict or enhance the list of acceptable documents. AHCCCS will also need to determine whether this bill will affect their ability to receive additional funding under the recent federal stimulus legislation.

Analysis

Current state law requires a person applying for AHCCCS services to provide verification of U.S. citizenship or documented verification of qualified alien status as required by federal law or regulation. Documentation that may be used to prove citizenship and identification is outlined in the federal Deficit Reduction Act of 2005 (DRA). HB 2237 includes a list of documents that are more restrictive in some areas but less restrictive in others than the federal DRA. For example, HB 2237 does not include the following documents permitted under the DRA: a final adoption decree, evidence of civil service employment by the U.S. government before June 1, 1976, and an insurance form showing U.S. place of birth. HB 2237 also includes a valid Arizona Driver License or non-operating identification card issued after 1996; current federal law allows that piece of identification only in conjunction with additional proof of citizenship. According to AHCCCS, the DRA does not permit states to modify the list of acceptable documents. In that circumstance, the bill would not have an impact if the state remains in compliance with federal law.

Additionally, HB 2237 requires AHCCCS to verify all non-citizens' immigration status through the SAVE program before those non-citizens may receive any benefits. This requirement is consistent with AHCCCS' current procedure and consistent with the policy outlined in the federal Deficit Reduction Act of 2005. AHCCCS reports that it costs \$.50 to verify the status of a non-citizen through the SAVE program who has an alien registration number and \$2.00 to search the system manually if an alien registration number is unknown. Since the department is already paying for these services, no additional fiscal impact is anticipated.

The American Recovery and Reinvestment Act of 2009 (ARRA) increased the federal portion of most Arizona Medicaid programs from 66% to about 75% from October 1, 2008 to December 31, 2010. A state is ineligible to receive the enhanced federal matching share if its eligibility standards, methodologies, or procedures under the Medicaid state plan are more restrictive than the eligibility standards, methodologies, or procedures under the state plan that was in effect on July 1, 2008. AHCCCS would need to determine if this bill would impact the receipt of an enhanced federal match rate under ARRA.

Local Government Impact

Currently, the state and counties share in the cost of the state share of the Arizona Long Term Care System. As noted above, according to AHCCCS, the DRA does not permit states to modify the list of acceptable documents. In that circumstance, the bill would not have an impact if the state remains in compliance with federal law.